

**Northeast Michigan Community Mental Health Authority (NeMCMHA) Board  
Special Board Meeting – AFC Contract Rates  
January 26, 2023**

**I. Call to Order**

Chair Eric Lawson called the meeting to order in the Board Room at 3:01 p.m.

**II. Roll Call and Determination of a Quorum**

Present: Robert Adrian (joined at 3:03 p.m.), Les Buza, Bonnie Cornelius, Lynnette Grzeskowiak, Charlotte Helman, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Lloyd Peltier, Pat Przeslawski, Terry Small

Staff & Guests: Connie Cadarette, Mary Crittenden, Kristie Gallagher, Scott Gallagher, Morgan Hale, Donald G. Haske, Paula Haske, Danielle Lahaie, Janice Lemmon, Barb Murphy, Charlie Olsen, Larry Patterson, Ethan Saile, Jennifer Spomer, Nena Sork, Connie Srebnik, Erik Stone, Angela Tuck, Jen Walburn, Gwen Wiacek

**III. Acknowledgement of Conflict of Interest**

No conflicts of interest were reported.

**IV. Calculating Financial Compensation**

Eric requested that Board members review the Calculating Financial Compensation narrative Nena Sork provided for the Board as a handout.

**V. Information and/or Comments from the Public**

**1. Board Policy on Public Comments**

Eric stated he would recognize Board members who want to ask questions to avoid cross questioning during the meeting. He reviewed the Board policy on public comments with attendees and asked that all commenters speak from the podium.

**2. Public Comments**

Gwen Wiacek, Presque Isle County, stated concerns began after the Direct Care Wage (DCW) meeting held by the Agency. She thought they would be receiving a 15% increase as well as a 3% COLA in place of getting the \$2.35 an hour. Then they were told contracts were going to be reevaluated, and the 18% increase didn't happen. Gwen felt she was not receiving all the DCW they were owed, and worried about where that money was going, though she did receive corrected checks. She was also concerned about not receiving holiday pay and having to pay for the individuals' Christmas gifts.

Danielle Lahaie, Presque Isle County, came as an advocate for her guys and her home. They have lived with them for a long time and are like family, and she doesn't want to have to close the home. With the decreases, she would be losing \$25,000 a year. She thinks the assessment needs to be more individualized and is concerned the budget is being looked at more than the people.

Angela Tuck, Presque Isle County, stated they have all lost money on this. She was told she'll get less money because they do a good job. The incident reports aren't happening because they are able to recognize behaviors and prevent them, though they still need the same amount of help and require the same amount of hours. She feels the evaluations aren't done properly and are being done without the home owners.

Connie Srebnik, Presque Isle County, stated they only get the extra DCW of \$2.35 an hour for hands-on time, and sometimes you may only get \$800 a month. They spent about \$3,000 a month on gowns, masks, PPE, and cleaners. She has owned the home for 17 years, and states they work 24 hours a day, not 16. She has one individual who is up every two hours at night. Now that people are getting older, they have more appointments. She's had to run someone back and forth to Alpena three times a week for post-surgery appointments. She was paid \$1.33 extra for this, and it happened for six months, which was only about \$200. She said these people are their family. They take them camping, they have bands, and they dance. During COVID, they would be there for three days with sick people while they themselves were sick.

Jennifer Spomer, Presque Isle County, said they have to pay workman's comp and liability insurance. She has one person who only lasted six months in other homes, but has been with her for three years. During COVID, a box of 50 disposable gowns was \$147.99 before taxes and shipping. They had to drive to Alpena for toilet paper and milk. They had to buy masks, shoe covers, and disposable dinnerware. Insurance is hard to get, especially locally, and she was dropped last year and had to come up with \$1,500 on the spot to provide insurance.

Don Haske, Presque Isle County, stated his wife has been doing this job for more than 30 years. The people are special and need help, and you can't throw them in a nursing home to be trained like cattle to come eat when the bell rings. He stated the specialized compensation assessment wasn't a problem with past directors, but since this group of females took over it's been a kick in the ass to everyone here. He felt the meeting about compensation was more about protecting the DCW than the contracts. He and his wife think the Board, providers, and the Agency should be involved in the system, and they have no idea the stress being caused to the homes.

## **VI. AFC Home Contract Rates**

Nena stated the same assessment tool and compensation grid have been used since 2011. They were created based on Medicaid guidelines, which try to capture the personal care levels. She froze AFC contract rates when COVID hit, but phone assessments were done as needed when an individual decompensated. Due to COVID, this year was the first time since Nena became the Executive Director that case managers have done in-person assessments on everyone. The DCW is not NeMCMHA's money, it comes from the state and is a pass-through payment system. There are attestations that have to be completed for it, and it is currently approved through September. NeMCMHA pays everyone for the hours of direct care that the providers claim on their attestations each month. The State has encouraged bundling payments that include the DCW. The average amount for the DCW was 15%, so all contracts received 15%. A 3% COLA increase was going to be done for everyone. The proposed total 18% increase would cover the \$2.35 DCW and the 3% COLA.

The assessments were completed, resulting in 32 contracts increasing, from 1 – 39%, and 11 contracts decreasing, from 6 – 42%. They decided to cap decreases at 15% for the year. Nena has met with many providers and they looked at the assessments, asking if the tool is reliable and if it is being used in a reliable way. She also wondered if the tool is capturing everything, if the grid is appropriate, and if she needs to do a market analysis of the payment system. Once all provider meetings are completed, she would like to form a workgroup to look at the tool. Nena stated the annual cost of care money doesn't come from NeMCMHA, it comes from social security for room and Board. Not all individuals served by NeMCMHA get a contracted rate, and some only receive the annual cost of care. Eric reminded the Board that they legally cannot bill for 24-hour care unless they have 24-hour awake staff. All but one of the Agency's group homes have 24-hour awake staff. There has to be a full shift of 8-hour work to do. The last AFC provider meeting is scheduled for Friday, February 3. Nena stated the Agency can retroactively pay back to October 1, if needed.

Eric stated the administrative process has not been completed, therefore the Board should not yet get involved. He read the Executive Director's Role Policy, which states the Board creates Ends and executive limitations, and they can tell Nena what she cannot do, not what she can do. It is not the Board's practice to give the Executive Director specific directions on how to do the job. Eric doesn't want to interfere with the administrative process, and wants to be cautious about steps taken toward that end.

The entirety of the assessed rate goes directly to the homes and there is no administrative fee. The contract rates are paid with Medicaid funds the Agency receives. There are many limitations on what Medicaid funds can be spent on, and medical necessity has to be proved for the contract rates. Nena stated the compensation grid can be changed, but they have to prove it isn't out of the norm for the area. The assessments are done once a year unless there is a significant decline.

Eric asked the Board if they think Nena and staff can continue to work at this problem. Pat Przeslawski stated she is pleased with Nena's performance in all aspects and areas. Bonnie stated they haven't yet had

enough time to complete the needed steps. Nena will speak to other CMH directors and Eric Kurtz from the NMRE, and will present the information to the Board.

Janice Lemmon, Office of the Public Guardian in Presque Isle County, stated she stands to lose 15 clients from Presque Isle County who would have to move out of the catchment area. She attended a meeting with an AFC provider and Agency staff, and to her it's obvious the assessment isn't capturing the required needs. Charlotte Helman feels Nena and staff should be allowed to complete the process. Nena said the state doesn't provide an assessment tool; each agency has to create something to show medical necessity. Eric looked for a consensus from the Board on letting the Executive Director complete the administrative process for the AFC contracts, and none were opposed.

**VII. Information and/or Comments from the Public**

Don Haske, Presque Isle County, stated that after listening he wanted to reiterate that individuals in the homes have 24-hour care, no matter what. They go above and beyond for their people and he doesn't want that to be taken away.

Judge Erik Stone, Presque Isle County Probate, stated they have an Office of Public Guardian which currently serves 40 people. They are hearing from the homes that 15 people are going to have to be relocated. They would have to evict them because they can't afford to care for them. Judge Stone wanted to know what is different now, as these 15 people have been able to be served in the community for years.

Connie Srebnik, Presque Isle County, stated nobody has complained on the assessment before because the rates have never gone down. She felt it was sneaky. They had a meeting about the DCW being added, but when they got their checks, they didn't think they had received the DCW at all.

Angela Tuck, Presque Isle County, wondered if they are still receiving the same billing rate from 2011 when the assessment was created. Her revenue has been less the last couple years than it was in 2013. She also thinks the evaluations aren't working. She has someone who is worse off medically, but the assessment says they're so much better that the rate was reduced.

Jennifer Spomer, Presque Isle County, stated they don't get a breakdown of what they are getting paid. They have to pay so much to onboard new staff, and then people leave and they're out the money. They have three shifts and are up 24 hours a day. Nena stated if they don't sign their contracts, they will let the auditors know they are still in negotiations, and their rates will be frozen.

**VIII. Next Meeting**

The next regularly scheduled meeting of the Northeast Michigan Community Mental Health Authority Board will be held Thursday, February 9, 2023 at 3:00 p.m.

**IX. Adjournment**

*Moved by Gary Nowak, supported by Terry Small, to adjourn the meeting.* Motion carried. This meeting adjourned at 4:50 p.m.

*[signed by Bonnie Cornelius March 9, 2023]*

Bonnie Cornelius, Secretary

*[signed by Eric Lawson February 9, 2023]*

Eric Lawson, Chair

Rebekah Duhaime  
Recorder